Item 1008-D

X 96-2: H.Rp. 1349/pt. 2

96TH CONGRESS } HOUSE OF REPRESENTATIVES { Rept. 96-
2d Session } { 1349, Part 2

HOSTAGE RELIEF ACT OF 1980

COMPLETED
ORIGINAL

SEPTEMBER 19, 1980.—Ordered to be printed

Mr. FASCELL, from the Committee on Foreign Affairs, submitted the following

REPORT

[To accompany H.R. 7085 which on April 17, 1980, was referred jointly to the Committee on Foreign Affairs, the Committee on Post Office and Civil Service, and the Committee on Ways and Means]

[Including cost estimate of the Congressional Budget Office]

The Committee on Foreign Affairs, to whom was referred the bill (H.R. 7085) to amend title 5 of the United States Code and the Internal Revenue Code of 1954 to provide certain benefits to individuals held hostage in Iran and to similarly situated individuals, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments (stated in terms of the page and line numbers of the introduced bill) are as follows:

(1) Strike out title I (beginning on line 1 of page 2 and ending on line 12 of page 6) and insert in lieu thereof the following:

TITLE I—SPECIAL PROVISIONS FOR GOVERNMENT EMPLOYEES IN A MISSING STATUS AS A RESULT OF A HOSTILE ACTION ABROAD

SPECIAL PROVISIONS FOR CERTAIN MISSING EMPLOYEES

SEC. 101. (a) Subchapter VII of chapter 55 of title 5, United States Code, is amended by inserting at the end thereof the following new section:

"§ 5569. Special provisions for Government employees in a missing status as a result of a hostile action abroad

"(a)(1) This section applies with respect to any individual who the President determines is a Government employee who is in a missing status on or after November 4, 1979, for purposes of this section.

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"(2)(A) Notwithstanding section 2105 or section 5561(2) or (5) of this title, for purposes of this section, the term 'Government employee who is in a missing status' means (as determined by the President)—

"(i) an individual who is in the civil service or the uniformed services (subject to subparagraph (B) of this paragraph) and who is in a missing status as a result of a hostile action abroad against the United States; and

"(ii) a citizen or resident alien of the United States whose presence abroad is for the purpose of performing a Federal function and who, if the individual were an employee, would be in a missing status (as described in subparagraphs (A) through (E) of paragraph (5) of section 5561) as a result of a hostile action abroad against the United States.

"(B) Subsections (d) and (e) of this section do not apply with respect to members of the armed forces to the extent that those subsections provide benefits which are identical to benefits which are provided with respect to members of the armed forces under any other provision of law. To the extent that the benefits provided by subsections (d) and (e) of this section are not identical to benefits which are provided with respect to members of the armed forces under another provision of law, the additional benefits provided by those subsections shall be available, in accordance with regulations prescribed by the President, with respect to members of the armed forces to whom this section applies.

"(b)(1) The Secretary of the Treasury shall establish a savings fund to which the head of an agency may allot all or any portion of the pay and allowances of any Government employee to whom this section applies—

"(A) which are for pay periods during which the employee is in a missing status (within the meaning of this section); and

"(B) which are not subject to an allotment under section 5563 of this title, section 553 of title 37, or any other provision of law.

"(2) Amounts so allotted to the savings fund shall bear interest at a rate which, for any calendar quarter, shall be equal to the average rate paid on United States Treasury bills with three-month maturities issued during the preceding calendar quarter. Such interest shall be compounded quarterly.

"(3) Amounts may be allotted to the savings fund from pay and allowances for any pay period ending after November 4, 1979, and before the establishment of the savings fund. Interest on amounts allotted from the pay and allowances for any such pay period shall be calculated as if the allotment had occurred at the end of the pay period.

"(4) Amounts in the savings fund credited to a Government employee shall be considered as pay and allowances for purposes of section 5563 of this title (or in the case of a mem-

ber of a uniformed service, for purposes of section 553 of title 37) and shall otherwise be subject to withdrawal under procedures which the Secretary of the Treasury shall establish.

"(c) Under regulations prescribed by the President, the head of an agency may pay (by advancement or reimbursement) any Government employee to whom this section applies, or any family member (as such term may be defined in those regulations) or dependent of such a Government employee, for expenses for medical and health care, and for other expenses related to such care, which were incurred on or after November 4, 1979, incident to the fact that the Government employee was in a missing status (within the meaning of this section), but only to the extent that those expenses are not covered by insurance.

"(d)(1) Under regulations prescribed by the President, the head of an agency shall pay (by advancement or reimbursement) a spouse or dependent child of a Government employee to whom this section applies for expenses incurred for subsistence, tuition, fees, supplies, books, equipment, and other educational costs while attending an educational or training institution.

"(2)(A) Except as provided in subparagraph (B), payment under paragraph (1) may be made for attendance at educational courses or training between the ninety-first day the Government employee is in a missing status (within the meaning of this section) and the end of the semester or quarter (as appropriate) during which the missing status of the Government employee is terminated (or such later date as the President may, under special circumstances, specify), but not to exceed a total of forty-five months (or the equivalent thereof in part-time training).

"(B) If the Government employee dies while in a missing status (within the meaning of this section), or dies as a result of the hostile action abroad against the United States, expenses for education and training under paragraph (1) may be paid, to the extent authorized in the regulations prescribed by the President, for up to a total of forty-five months (or the equivalent thereof in part-time training).

"(3) Under regulations prescribed by the President, the head of an agency may, under such special circumstances as may be set forth in those regulations, pay (by advancement or reimbursement) a Government employee to whom this section applies for expenses incurred, after the termination of the employee's missing status, for subsistence, tuition, fees, supplies, books, equipment, and other educational costs while attending an educational or training institution. Payment under this paragraph may be made for educational courses or training during any semester or quarter (as appropriate) which begins less than 10 years after the date on which the employee's missing status is terminated (whether or not the individual is still a Government employee), except that payment may not be made under this paragraph for attendance

at educational courses or training in excess of a total of forty-five months (or the equivalent thereof in part-time training).

"(4) Payment under this subsection shall not exceed the maximum amount authorized to be paid under section 1732 of title 38.

"(5) Educational assistance shall be discontinued under this subsection to any individual if that individual's conduct or educational progress is unsatisfactory under standards comparable to those established pursuant to section 1724 of title 38.

"(6) Regulations prescribed by the President under this subsection shall provide that the educational assistance program under this subsection shall be comparable to the educational assistance program under chapters 35 and 36 of title 38.

"(e)(1) Under regulations prescribed by the President, a Government employee to whom this section applies is entitled to the benefits provided by the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 501 et seq.), including the benefits provided by section 701 (50 U.S.C. App. 591) but excluding the benefits provided by sections 104, 105, 106, 400 through 408, 501 through 512, and 514 (50 U.S.C. App. 514, 515, 516, 540 through 548, 561 through 572, and 574).

"(2) In applying such Act for purposes of carrying out this subsection—

"(A) the term 'person in the military service' is deemed to include a Government employee to whom this section applies;

"(B) the term 'period of military service' is deemed to include the period during which that Government employee is in a missing status (within the meaning of this section); and

"(C) references to the Secretary of the Army and the Secretary of the Navy or to the Adjutant General of the Army, the Chief of Naval Personnel, and the Commandant, United States Marine Corps, are deemed to be references to the President.".

(b) The analysis for chapter 55 of title 5, United States Code, is amended by inserting after the item relating to section 5568 the following new item:

"§ 5569. Special provisions for Government employees in a missing status as a result of a hostile action abroad.".

(c) Paragraph (2) of section 5561 of title 5, United States Code, is amended by inserting ", except as provided in section 5569(a)(2)," after "means".

EFFECTIVE DATE

SEC. 102. The amendments made by section 101 shall be effective as of November 4, 1979.

(2) Page 7, strike out lines 23 through 25 and insert in lieu thereof the following:

> term "employee" means an individual (other than a member of the Armed Forces of the United States) who is a Government employee within the meaning of section 5569(a)(2) of title 5, United States Code.

(3) Page 9, beginning in line 15, strike out "has the meaning given to such term by section 5569(d)" and insert in lieu thereof "means an individual (other than a member of the Armed Forces of the United States) who is a Government employee within the meaning of section 5569(a)(2)".

(4) Page 13, line 19, strike out "an" and insert in lieu thereof "a Government"; and in line 20, strike out "5569(d)" and insert in lieu thereof "5569(a)(2)".

(5) Page 15, after line 6, add the following new title:

TITLE III—TREATMENT OF THE HOSTAGES IN IRAN

VISITS BY THE INTERNATIONAL RED CROSS

SEC. 301. (a) The Congress finds that—

(1) the continued illegal and unjustified detention of the American hostages by the Government of Iran has resulted in the deterioration of relations between the United States and Iran; and

(2) the protracted length and the conditions of their confinement have reportedly endangered the physical and mental well-being of the hostages.

(b) Therefore, it is the sense of the Congress that the President should make a formal request of the International Committee of the Red Cross to—

(1) make regular and periodic visits to the American hostages being held in Iran for the purpose of determining whether the hostages are being treated in a humane and decent manner and whether they are receiving proper medical attention;

(2) urge other countries to solicit the cooperation of the Government of Iran in the visits to the hostages by the International Committee of the Red Cross; and

(3) report to the United States its findings after each such visit.

COMMITTEE ACTION

On April 17, 1980, Hon. Dante B. Fascell (for himself and Mr. Ullman, Mr. Zablocki, Mr. Broomfield, Mr. Buchanan, and Mr. Derwinski) introduced H.R. 7085, which was jointly referred to the Committee on Foreign Affairs, Committee on Post Office and Civil Service, and the Committee on Ways and Means. On April 22, 1980, the bill was referred to the Subcommittee on International Operations by Hon. Clement J. Zablocki, chairman of the Committee on Foreign Affairs.

On July 24, 1980, the Subcommittee on International Operations held an open hearing on H.R. 7085 during which testimony was received from Hon. Ben H. Read, Under Secretary of State for Management; Maj. Gen. R. Dean Tice, Deputy Assistant Secretary of Defense for Military and Personnel Policy; and Louisa L. Kennedy, spokesperson for FLAG (Family Liaison Action Group), which is composed of families and relatives of the hostages being held in Iran.

The subcommittee held an open markup session on September 3 on the legislation and reported to the full committee, H.R. 7085, as amended. On Sepember 10 the full committee met in open session to consider the bill and ordered it favorably reported, as amended, by voice vote, a quorum being present.

Purpose

The purpose of the legislation, as amended, is to provide certain relief benefits to U.S. hostages in Iran and their families, as well as to U.S. Government employees in future hostage situations. The benefits provided would apply to civilian and military employees of the U.S. Government and are based on those benefits available to U.S. military prisoners of war from the Vietnam era. The benefits include the following: (1) establishment of a special interest-bearing savings fund for deposit of hostages' salaries; (2) reimbursement for expenses of family members, spouses, dependents, or the hostages for medical and health care which are incurred because of the ordeal; (3) protection of civilian Government employees from civil suit while they are in a missing status; (4) educational benefits for the spouse and dependent children for the duration of the hostile action against the United States, except in certain circumstances where the benefits could be extended; (5) educational benefits, under special circumstances, for the hostages themselves; (6) educational benefits for the spouse and dependent children of a hostage should the hostage die while being held hostage; (7) exemption from taxes on compensation received while a military or civilian Government employee is a hostage or missing as a result of a hostile action abroad against the United States; (8) complete income tax exclusion for income received by an employee who dies as a result of a hostile action; and (9) clarification of authority to allow the spouse of a hostage to file a joint tax return and to defer payment of certain taxes for up to 180 days after the return of a hostage or missing military or civilian employee.

Background and Committee Comment

H.R. 7085 was introduced on April 17, 1980, the 166th day of captivity of American citizens in Iran. At this writing, the hostages have been held 321 days.

This legislation is intended as an expression of the Nation's recognition of the difficulties faced by those held hostage as a result of their Government service. While such legislation has been enacted in the past for those in the military service, the Congress has not had reason until today to expand such protection to civilians in Government service. The benefits contained in H.R. 7085, as amended, are based on those which were given to POW's as a result of the Vietnam

war. Some of those benefits are still in effect and thus give the military who are being held hostage some relief, but the civilian Government employees have no such relief for themselves or their families.

Despite intensive diplomatic efforts of our Government, U.S. Government personnel continue to be held in Iran in gross violation of international law. These hostages have been incarcerated cruelly and unjustly since November 4, 1979. In addition to the prisoners' intolerable situation, the families of these individuals have also undergone severe mental, and in some cases financial, strain due to this forced separation.

The Congress must act now to alleviate, to the extent possible, the burdens of the hostages and their families and to make certain that all necessary assistance is provided upon their return home. It must assure that any assistance these families require is readily available.

The executive branch has suggested that the benefits contained in the legislation be temporary to permit further study before permanent legislation is proposed.

The committee feels that the problems dealt with in H.R. 7085 have been sufficiently studied in the 10 months that our hostages have been held in Iran. The legislation has been written to apply to hostage situations, generally, as well as to the Iran problem specifically. The authorities are available to be used as needed, and can certainly be amended at a later date if the need arises. The important point now is to insure that protections are in place for individuals caught in any future hostage situation.

The recent attacks on the U.S. Ambassador in Lebanon and on the U.S. Embassy in El Salvador underline the increasingly hostile environment in which U.S. personnel serve and, therefore, the increased likelihood of additional hostage situations. Experience with the problems confronting American POW's in the past, coupled with the more recent hostage situations in Latin America and Iran, provide sufficient background upon which to formulate permanent legislation. Permanent legislation would avoid unnecessary delays in future situations and enable the provision of benefits as they are needed by the hostage and hostage family rather than at a later date.

The benefits provided by H.R. 7085, as amended, such as access to the Soldiers' and Sailors' Civil Relief Act, which has been in effect for the military for over 40 years, are not extraordinary. The legislation has also been written to give the President sufficient discretion to adjust to the vagaries of any future case.

The committee feels that legislation is needed which will be effective not only after a hostage situation is over, but also during the period of captivity, since the hostages' families are affected from the beginning. The committee is therefore convinced that permanent legislation is the desirable course to follow.

Section-by-Section Analysis of the Bill as Amended

SHORT TITLE

The short title of H.R. 7085 is the Hostage Relief Act of 1980.

TITLE I—SPECIAL PROVISIONS FOR GOVERNMENT EMPLOYEES IN A MISSING STATUS AS A RESULT OF HOSTILE ACTION ABROAD

Section 101—Special Provisions for Certain Missing Employees

Section 101(a) adds a new section 5569 to subchapter VII (Payments to Missing Persons) of chapter 55 of title 5 of the U.S. Code.

Section 5569(a)—Individuals for Whom Benefits are Available

New section 5569(a)(1) gives the President the authority to determine when a Government employee is in a misisng status for the purposes of the section.

Section 5569(a)(2)(A) defines "Government employee who is in a missing status" for the purposes of this section. The term is broad enough in scope to cover all military and civilian Government employees, as well as citizens or resident aliens of the United States whose presence abroad is for the purpose of performing a Federal function.

Section 5569(a)(2)(B) specifies coverage for the military only to the extent that they are not already covered in existing legislation.

Section 5569(b)—Special Savings Account

Section 5569(b)(1) directs the Secretary of the Treasury to establish a special interest-bearing savings fund to which agency heads may allot all or a portion of the pay of Government personnel being held hostage. The money deposited would be that earned for pay periods during which the employee is in a missing status and which is not otherwise subject to an allotment.

Section 5569(b)(2) sets the interest rate at an amount equal to the average paid on Treasury bills with 3-month maturities issued during the preceding calendar quarter. Such interest would be compounded quarterly.

Section 5569(b)(3) sets an effective date of November 4, 1979 for the accrual of interest.

Section 5569(b)(4) provides that the amounts in the savings fund shall have the status of pay and allowances for purposes of 5 U.S.C. 5563 or, in the case of a member of the Armed Forces, for purposes of 37 U.S.C. 553. Both sections govern the authority to initiate, suspend, increase, or otherwise handle allotments of pay and allowances for individuals in a missing status. This subsection also authorizes the Secretary of the Treasury to establish procedures for withdrawal of money from the special fund for us by the families in cases of special need.

Section 5569(c)—Medical and Health Care

Section 5569(c) directs the President to establish regulations by which a head of any agency may pay (by advancement or reimbursement) any expenses for medical and health care and other expenses related to such care of family members, dependents, spouses, and Government employees being held hostage to the extent that those expenses are not covered by insurance.

The committee believes that such coverage is necessary and desirable. Some family members, dependents, spouses, or hostages may require extended medical and psychological treatment which cannot be provided under existing Government programs. Since the Government has placed certain defined responsibilities on its employees, it is only

proper that the Government meet its responsibilities toward those employees if they incur medical or health problems while in the service of their Government.

Section 5569(d)—Education and Training Benefits

Section 5569(d)(1) requires the President to prescribe regulations by which a head of an agency shall pay (by advancement or reimbursement) expenses incurred by a spouse or dependent child of a Government employee while attending an education or training institution.

Section 5569(d)(2)(A) provides for reimbursement for such educational courses or training undertaken between the 91st day the Government employee is in a missing status and the end of the semester or quarter during which the missing status is terminated. It also provides that the President may, under special circumstances, extend the benefits, but under no circumstances may they be provided for longer than 45 months of education or the part-time equivalent thereof.

The committee's intent in allowing the President to extend the educational and training benefits for spouses and dependent children is to enable them to continue a course of education should a hostage, when released, be unable to pursue a career for an extended period of time.

Section 5569(d)(2)(B) provides for educational benefits for the spouse and dependent children, should a Government employee die while in a missing status or as a result of the hostile action. The educational benefits would be provided to the extent authorized in regulations prescribed by the President, but may not exceed 45 months or the equivalent thereof in part-time training.

Section 5569(d)(3) provides for educational benefits, under special circumstances, for a Government employee who has been in a missing status. The benefits would commence after the missing status is terminated and would be set by regulations issued by the President.

The committee does not intend that educational benefits for hostages be automatic, but that such benefits should be extended to any former hostage, who as a result of the hostage experience, is unable or unwilling to continue in his or her current Government post. Such educational benefits are designed to assist a former hostage in obtaining additional training which may be necessary in finding a new position or career within or outside the Government. As provided under section 5569(d)(3) the benefits would be available for a maximum of 10 years from the date on which the Government employee's missing status is terminated, but in no instance would be for longer than 45 months or the part-time equivalent thereof.

Section 5569(d)(4) specifies that payment under this subsection shall not exceed the maximum amount authorized to be paid under 38 U.S.C. 1732 concerning computation of educational assistance allowance.

Section 5569(d)(5) provides that educational assistance shall be discontinued under this subsection if the individual's conduct or educational progress is unsatisfactory under standards comparable to those established pursuant to 38 U.S.C. 1724 applying to educational assistance for military personnel.

Section 5569(d)(6) directs the President to issue regulations to insure that the benefits are comparable to the benefits made available to veterans and their spouses and dependent children under title 38 (Veterans' Benefits) of the U.S. Code.

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The committee urges that any future changes in veterans' educational benefits also include consideration of the educational benefits for the hostages so that, where desirable, the two remain compatible.

Section 5569(e)—Relief from Civil Suit

Section 5569(e)(1) provides that Government employees who are in a missing status will be entitled to the protections of certain provisions of the Soldiers' and Sailors' Civil Relief Act of 1940. The provisions of that act which would not apply are those that are administered by the Veterans Administration, as well as related provisions which concern military rights and privileges.

The Soldiers' and Sailors' Civil Relief Act provides protection from civil suit in specified types of actions. Such protection includes authority for a court to defer civil actions or proceedings affecting an individual's status or property rights until the individual is once more capable of responding to the action.

For the purpose of section 5569, it is the committee's intent that the phrase "head of an agency" refer to the employing agency of the respective Government employee. For instance, the Department of State would pay for those benefits provided its employees, the Department of Commerce will be charged for its employees, etc. It is not intended that the Veterans' Administration be charged for benefits for employees outside the military.

The committee urges the executive branch to include the costs of these benefits in its budgetary calculations and insure that any fiscal year 1981 supplemental request and the fiscal year 1982 budget contain the appropriate amounts.

Sections 101(b) and (c) of the bill make necessary technical and conforming changes in title 5 of the U.S. Code.

Section 102 establishes an effective date of November 4, 1979, for title I of H.R. 7085, as amended. Such an effective date will provide access to the benefits of this bill not only to those Government and military employees currently held in Iran, but also to the 14 who have been released and the 6 who were returned under the protection of the Canadian diplomats.

The bill would also apply to Ambassador Diego C. Ascencio, held two months in Bogota, Colombia, and to two Peace Corps volunteers who were held in captivity in Latin America during portions of the same period in which U.S. personnel were held hostage in Iran.

The committee notes that on December 10, 1979, the House of Representatives passed a concurrent resolution declaring the concern of Congress for the present and future welfare of the hostages in Iran. That resolution further stated the intent of Congress to assure the financial and professional well-being of such hostages upon their release.

Therefore, the committee wishes to state that, while this legislation provides certain benefits to the hostages, it in no way precludes consideration at a later date of other types of compensation or assistance. The benefits in H.R. 7085 are those necessary immediately and once the hostages are released, it is the committee's intent to scrutinize carefully other proposals to assist the hostages.

TITLE II—AMENDMENTS TO THE INTERNAL REVENUE OF 1954

Title II contains amendments to the Internal Revenue Code of 1954 which would provide certain tax benefits to hostages or persons missing as a result of hostile action against the United States. The committee did not consider this title of the legislation since it falls within the jurisdiction of the Committee on Ways and Means. However, a summary of the provisions is included here in order to provide a complete analysis of the bill.

Section 201—Exemption from Income Taxes

Section 201 of H.R. 7085 would add a new subsection (e) to section 112 of the Internal Revenue Code regarding certain combat pay of members of the Armed Forces.

New subsection (e)(1) would exempt from gross income all compensation received for active service as a Government employee during any month the employee was in a missing status as a result of a hostile action against the United States in a foreign area. It would also exempt from gross income compensation received for any month during any part of which such employee was hospitalized as a result of such hostile action, but within 2 years of the date of termination of the hostile action.

Subsection (e)(2)(A) defines "hostile action against the United States" as an action abroad which is directed against the United States that occurs on or after November 1, 1979, which the Secretary of State identifies for this purpose in a letter published in the Federal Register.

Subsection (e)(2(B) defines "Federal employee" to include any person who is an employee, whether direct or indirect, of any agency or instrumentality of the United States. The term would include any person whose presence abroad is for the purpose of implementing a federally funded program as determined by the Secretary of State.

Section 202—Income Taxes on Government Employees on Death

Section 202 amends section 692 of the Internal Revenue Code of 1954 by adding a new subsection relating to foreign hostile actions.

New subsection 692 (c)(1) provides for exclusion from payment of federal income tax if a Government employee should die as a result of injuries sustained during a hostile action against the United States. Under subsection 692 (c)(1)(A), this exclusion would be effective only for income received during the year of death and during any prior year the Government employee first entered into a missing status as a result of such hostile action.

Subsection 692(c)(1)(B) stipulates that any unpaid tax (including interest, additions to the tax, and additional amounts) will not be assessed, that any assessment will be voided, and that any tax collected will be credited or refunded as an overpayment.

The subsection also provides that the date of death of the employee shall be determined under 5 U.S.C. 5565 (agency review), but that the provisions shall not apply for any taxable year beginning more than 2 years after the date of termination of the hostile action.

Subsection 692(c)(2) defines "active service", "employee", and "hostile action against the United States" for the purposes of the section.

Section 203—Joint Return Where Individual is in a Missing Status

Section 203 amends section 6013(f)(1) of the Internal Revenue Code of 1954 to permit an individual otherwise entitled to file a joint return to file such a return if the individual's spouse is in a missing status as a result of a hostile action against the United States.

Section 204—Federal Tax Deferment

Section 204 would amend section 7508(a) of the Internal Revenue Code of 1954 to include within that section U.S. citizens or resident aliens who are in a missing status because of a hostile action against the United States or who are hospitalized outside the United States because of such hostile action. Specifically, section 7508(a) relates to exemptions from time deadline for filing tax returns in meeting other time requirements relating to tax liability.

Section 205—Applicability to all Teheran Hostages

Section 205 would make the bill's amendments to the Internal Revenue Code of 1954 applicable to all citizens and resident aliens of the United States held hostage in Iran, as determined by the Secretary of State, at any time during November 1979, whether or not they are Federal employees. The exemptions would apply only to those who file an income tax return for the period in question.

Section 206—Effective Date

Section 206 provides that the title II tax provisions shall apply to taxable years ending on or after December 31, 1979.

TITLE III—TREATMENT OF THE HOSTAGES IN IRAN

Section 301—Visits by the International Red Cross

Section 301(a)(1) states that the hostages are being held illegally and unjustifiably by the Government of Iran, resulting in deterioration of the relations between the two countries.

Section 301(a)(2) states that the length and conditions of the confinement of the hostages have reportedly endangered their physical and mental well-being.

Section 301(b) states the sense of the Congress that the President should make a formal request of the International Red Cross to make regular and periodic visits to the hostages to determine whether they are being treated in a humane and decent manner and are receiving proper medical attention. It also states that the International Red Cross should urge other countries to ask for the cooperation of the Government of Iran to allow such visits and that the International Red Cross should report to the United States its findings after each such visit.

COST ESTIMATE

The committee estimates that the enactment of H.R. 7085, as amended, will incur costs to the U.S. Government of less than $1 million and will decrease revenues by less than $1 million. The committee agrees with the cost estimate and projection of the Congressional Budget Office below.

Inflationary Impact Statement

Adoption of H.R. 7085, as amended, would have no identifiable inflationary impact.

Statements Required by Clause 2(l)(3) of House Rule XI

(A) Oversight Findings and Recommendations

The principal oversight activities which contributed to the committee's action on H.R. 7085, as amended, are described earlier in this report under "Committee Action." Based on these activities and the committee's continuing oversight of the matter concerning the protection of Americans abroad, the committee recommends the adoption of H.R. 7085, as amended.

(B) Budget Authority

The adoption of H.R. 7085, as amended, will create new budget authority to the extent estimated in the committee's cost estimate above and the cost estimate of the Congressional Budget Office below.

(C) Committee on Government Operations Summary

No oversight findings which relate to this measure have been received from the Committee on Government Operations under clause 4(c)(2) of Rule X of the House rules.

(D) Congressional Budget Office Cost Estimate

September 16, 1980.

1. Bill number: H.R. 7085.
2. Bill title: Hostage Relief Act of 1980.
3. Bill status: As ordered reported by the House Committee on Foreign Affairs on September 10, 1980.
4. Bill purpose: H.R. 7085 authorizes pay, educational, medical, and tax benefits for government employees in a missing status on or after November 4, 1979, as a result of hostile action abroad.

Title I authorizes:

—the establishment of an interest-bearing savings fund to which the pay and allowances of a government employee in a missing status may be allotted during the period of captivity;

—the payment of medical benefits to a government employee in a missing status and to his or her family members, to the extent that the medical care is incident to the missing status of the government employee and the care is not covered by insurance;

—the payment of educational benefits for the spouse or child of a government employee in a missing status during the period the employee is in a missing status (beginning after the ninetieth day of captivity and not to exceed a total of 45 months);

—the payment of educational benefits to the government employee for educational courses or training that begin within 10 years after the date on which the employee's missing status is terminated and not to exceed 45 months; and

—the extension of certain provisions of the Soldiers' and Sailors' Civil Relief Act to all government employees in a missing status.

Title II amends the Internal Revenue Code to provide income tax relief to personnel in a missing status.

Title III recommends that the President request the International Committee of the Red Cross to visit Iran periodically to check on the welfare of the American hostages and to report its findings to the United States after each visit.

5. Cost estimate: In fiscal year 1981, Title I of H.R. 7085 is estimated to cost less than $1,000,000. Title II is estimated to decrease revenues by less than $1,000,000, and Title III is estimated to incur no direct cost. These totals represent costs incurred during fiscal year 1980 that would outlay in fiscal year 1981 plus the potential cost if the government employees currently in a missing status were held for all of fiscal year 1981.

6. Basis of estimate:

Title I

Savings Fund

The savings fund is not expected to result in additional costs. The salaries deposited into the fund reduce by a corresponding amount the money the U.S. Treasury must borrow daily and thus the interest it must pay. This amount of interest is estimated to be approximately equal to the interest that the U.S. Treasury will pay into the savings fund, resulting in no net additional cost.

Medical Care

Function 050.—The medical care of military personnel is available at no charge in military facilities. The medical care of dependents of military personnel is available at military facilities or through the CHAMPUS program. It is assumed that if dependents of military personnel in a missing status require medical care, it will be obtained in military facilities, resulting in virtually no additional cost. The Department of Defense estimates the cost of medical care for non-dependent family members of military personnel currently held in Iran to be approximately $40,000.

Function 150.—The Department of State estimates eligible medical costs for the Foreign Service employees currently in a missing status and their family members to be approximately $350,000. This assumes that approximately 45 of the eligible people will require extensive psychiatric care for 100 weeks at $60 per week, and approximately $100,000 will be required for general health care and medical travel.

The two eligible Peace Corps employees and their family members have incurred no eligible medical costs.

Educational Benefits

Function 050.—It is estimated that seven of the military personnel currently in a missing status would use educational benefits and that each would have one dependent. Thus, each of the seven would receive $370 per month for 45 months, for a total of approximately $117,000.

No additional educational assistance costs are incurred for dependents of military personnel because they are already eligible for the benefits.

Function 150.—The Department of State estimates that 14 spouses or children of Foreign Service employees will receive educational benefits at a total cost of approximately $80,000. In addition, 10 of the eligible Foreign Service employees will receive educational benefits at a total cost of approximately $190,000.

The two Peace Corps employees have no dependents or spouses and thus no additional cost will be incurred for dependents. The Peace Corps, however, estimates that the employees themselves will receive educational benefits at a total cost of approximately $28,000.

Other Provisions

Function 050.—The bill extends certain provisions of the Soldiers' and Sailors' Civil Relief Act to government employees in a missing status. This act exempts the personnel from certain civil liabilities during their captivity. No additional costs are incurred for military personnel since they are already covered by the act.

Function 150.—The extension of these provisions to the Foreign Service and Peace Corps employees currently or previously in a missing status will incur no additional cost.

Title II

The income tax relief provided to government employees in a missing status is estimated to decrease revenues by less than $1,000,000.

Title III

Visits by the Red Cross to the American hostages in Iran should incur no direct cost.

7. Estimate comparison: None.

8. Previous CBO estimate: CBO prepared a cost estimate for H.R. 7085 as reported by the House Post Office and Civil Service Committee on August 27, 1980. This bill differs from the previous version in two respects:

—it makes permanent the authority to pay benefits to government employees in a missing status after November 4, 1979 (and thus is not limited to the situation in Iran); and

—educational benefits are provided not only to the dependents of personnel in a missing status but also to the personnel themselves.

9. Estimate prepared by: Linda Gard, Alice Hughey, and Willie Bradford.

10. Estimate approved by:

C. G. Nuckols
(For James L. Blum,
Assistant Director for Budget Analysis).

Changes in Existing Law Made by the Bill, As Reported

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follws (existing law proposed to be omitted is

enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman) :

TITLE 5, UNITED STATES CODE

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PART III—EMPLOYEES

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Subpart D—Pay and Allowances

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CHAPTER 55—PAY ADMINISTRATION

SUBCHAPTER I—GENERAL PROVISIONS

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SUBCHAPTER VII—PAYMENTS TO MISSING EMPLOYEES

5561. Definitions.
5562. Pay and allowances; continuance while in a missing status; limitations.
5563. Allotments; continuance, suspension, initiation, resumption, or increase while in a missing status; limitations.
5564. Travel and transportation; dependents; household and personal effects; motor vehicles; sale of bulky items; claims for proceeds; appropriation chargeable.
5565. Agency review.
5566. Agency determinations.
5567. Settlement of accounts.
5568. Income tax deferment.
5599. Special provision for Government employees in a missing status as a result of a hostile action abroad.

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SUBCHAPTER VII—PAYMENTS TO MISSING EMPLOYEES

§ 5561. Definitions

For the purpose of this subchapter—

(1) "agency" means an Executive agency and a military department;

(2) "employee" means, *except as provided in section 5569(a)(2)*, an employee in or under an agency who is a citizen or national of the United States or an alien admitted to the United State for permanent residence, but does not include a part-time or intermittent employee or native labor casually hired on an hourly or daily basis. However, such an employee who enters a status listed in paragraph (5) (A)-(E) of this section—

(A) inside the continental United States; or

(B) who is a resident at or in the vicinity of his place of employment in a territory or possession of the United States or in a foreign country and who was not living there solely as a result of his employment;

is an employee for the purpose of this subchapter only on a determination by the head of the agency concerned that this status is the proximate result of employment by the agency;

(3) "dependent" means—

(A) a wife;

(B) an unmarried child (including an unmarried dependent stepchild or adopted child) under 21 years of age;

(C) a dependent mother or father;

(D) a dependent designated in official records; and

(E) an individual determined to be dependent by the head of the agency concerned or his designee;

(4) "active service" means active Federal service by an employee;

(5) "missing status" means the status of an employee who is in active service and is officially carried or determined to be absent in a status of—

(A) missing;

(B) missing in action;

(C) interned in a foreign country;

(D) captured, beleaguered, or besieged by a hostile force; or

(E) detained in a foreign country against his will;

but does not include the status of an employee for a period during which he is officially determined to be absent from his post of duty without authority; and

(6) "pay and allowances" means—

(A) basic pay;

(B) special pay;

(C) incentive pay;

(D) basic allowance for quarters;

(E) basic allowance for subsistence; and

(F) station per diem allowances for not more than 90 days.

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§ *5569. Special provisions for Government employees in a missing status as a result of a hostile action abroad*

(a)(1) This section applies with respect to any individual who the President determines is a Government employee who is in a missing status on or after November 4, 1979, for purposes of this section.

(2)(A) Notwithstanding section 2105 or section 5561 (2) or (5) of this title, for purposes of this section, the term "Government employee who is in a missing status" means (as determined by the President)—

(i) an individual who is in the civil service or the uniformed services (subject to subparagraph (B) of this paragraph) and who is in a missing status as a result of a hostile action abroad against the United States; and

(ii) a citizen or resident alien of the United States whose presence abroad is for the purpose of performing a Federal function and who, if the individual were an employee, would be in a missing status (as described in subparagraphs (A) through (E) of paragraph (5) of section 5561) as a result of a hostile action abroad against the United States.

(B) Subsections (d) and (e) of this section do not apply with respect to members of the armed forces to the extent that those subsections provide benefits which are identical to benefits which are provided with respect to members of the armed forces under any other

provision of law. To the extent that the benefits provided by subsections (d) and (e) of this section are not identical to benefits which are provided with respect to members of the armed forces under another provision of law, the additional benefits provided by those subsections shall be available, in accordance with regulations prescribed by the President, with respect to members of the armed forces to whom this section applies.

(b)(1) The Secretary of the Treasury shall establish a savings fund to which the head of an agency may allot all or any portion of the pay and allowances of any Government employee to whom this section applies—

(A) which are for pay periods during which the employee is in a missing status (within the meaning of this section); and

(B) which are not subject to an allotment under section 5563 of this title, section 553 of title 37, or any other provision of law.

(2) Amounts so alloted to the savings fund shall bear interest at a rate which, for any calendar quarter, shall be equal to the average rate paid on United States Treasury bills with three-month maturities issued during the preceding calendar quarter. Such interest shall be compounded quarterly.

(3) Amounts may be alloted to the savings fund from pay and allowances for any pay period ending after November 4, 1979, and before the establishment of the savings fund. Interest on amounts alloted from the pay and allowances for any such pay period shall be calculated as if the allotment had occurred at the end of the pay period.

(4) Amounts in the savings fund credited to a Government employee shall be considered as pay and allowances for purposes of section 5563 of this title (or in the case of a member of a uniformed service, for purposes of section 553 of title 37) and shall otherwise be subject to withdrawal under procedures which the Secretary of the Treasury shall establish.

(c) Under regulations prescribed by the President, the head of an agency may pay (by advancement or reimbursement) any Government employee to whom this section applies, or any family member (as such term may be defined in those regulations) or dependent of such a Government employee, for expenses for medical and health care, and for other expenses related to such care, which were incurred on or after November 4, 1979, incident to the fact that the Government employee was in a missing status (within the meaning of this section), but only to the extent that those expenses are not covered by insurance.

(d)(1) Under regulations prescribed by the President, the head of an agency shall pay (by advancement or reimbursement) a spouse or dependent child of a Government employee to whom this section applies for expenses incurred for subsistence, tuition, fees, supplies, books, equipment, and other educational costs while attending an educational or training institution.

(2)(A) Except as provided in subparagraph (B), payment under paragraph (1) may be made for attendance at educational courses or training between the ninety-first day the Government employee is in a missing status (within the meaning of this section) and the end of the semester or quarter (as appropriate) during which the missing status of the Government employee is terminated (or such later date as the President may, under special circumstances, specify), but not to exceed

a total of forty-five months (or the equivalent thereof in part-time training).

(B) If the Government employee dies while in a missing status (within the meaning of this section), or dies as a result of the hostile action abroad against the United States, expenses for education and training under paragraph (1) may be paid, to the extent authorized in the regulations prescribed by the President, for up to a total of forty-five months (or the equivalent thereof in part-time training).

(3) Under regulations prescribed by the President, the head of an agency may, under such special circumstances as may be set forth in those regulations, pay (by advancement or reimbursement) a Government employee to whom this section applies for expenses incurred, after the termination of the employee's missing status, for subsistence, tuition, fees, supplies, books, equipment, and other educational costs while attending an educational or training institution. Payment under this paragraph may be made for educational courses or training during any semester or quarter (as appropriate) which begins less than 10 years after the date on which the employee's missing status is terminated (whether or not the individual is still a Government employee), except that payment may not be made under this paragraph for attendance at educational courses or training in excess of a total of forty-five months (or the equivalent thereof in part-time training).

(4) payment under this subsection shall not exceed the maximum amount authorized to be paid under section 1732 of title 38.

(5) Educational assistance shall be discontinued under this subsection to any individual if that individual's conduct or educational progress is unsatisfactory under standards comparable to those established pursuant to section 1724 of title 38.

(6) Regulations prescribed by the President under this subsection shall provide that the educational assistance program under this subsection shall be comparable to the educational assistance program under chapters 35 and 36 of title 38.

(e)(1) Under regulations prescribed by the President, a Government employee to whom this section applies is entitled to the benefits provided by the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 501 et seq.), including the benefits provided by section 701 (50 U.S.C. App. 591) but excluding the benefits provided by sections 104, 105, 106, 400 through 408, 501 through 512, and 514 (50 U.S.C. App. 514, 515, 516, 540, through 548, 561 through 572, and 574).

(2) In applying such Act for purposes of carrying out this subsection—

(A) the term "person in the military service" is deemed to include a Government employee to whom this section applies;

(B) the term "period of military service" is deemed to include the period during which that Government employee is in a missing status (within the meaning of this section); and

(C) references to the Secretary of the Army and the Secretary of the Navy or to the Adjutant General of the Army, the Chief of Naval Personnel, and the Commandant, United States Marine Corps, are deemed to be references to the President.

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INTERNAL REVENUE CODE OF 1954

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Subtitle A—Income Taxes

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CHAPTER 1—NORMAL TAXES AND SURTAXES

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Subchapter B—Computation of Taxable Income

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PART III—ITEMS SPECIFICALLY EXCLUDED FROM GROSS INCOME

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SEC. 112. CERTAIN COMBAT PAY OF MEMBERS OF THE ARMED FORCES.

(a) ENLISTED PERSONNEL.— * * *

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(e) FOREIGN HOSTILE ACTIONS.—

(1) FEDERAL EMPLOYEES.—Gross income does not include compensation received for active service as an employee for any month during any part of which such employee—

(A) was in a missing status as the result of any hostile action against the United States, or

(B) was hospitalized as a result of wounds, injury, disease, or partial or total physical or mental disablement incurred during a hostile action against the United States; but this subparagraph shall not apply for any month beginning more than 2 years after the date of the termination of the hostile action.

(2) DEFINITIONS.—For purposes of paragraph (1)—

(A) HOSTILE ACTION.—The term "hostile action against the United States" means an action abroad which is directed against the United States and occurs on or after November 1, 1979, which the Secretary of State identifies in a letter to the Secretary and which letter is published in the Federal Register.

(B) FEDERAL EMPLOYEE.—The terms "active service" and "missing status" have the respective meanings given to such terms by section 5561 of title 5 of the United States Code, and the term "employee" means an individual (other than a member of the Armed Forces of the United States) who is a Government employee within the meaning of section 5569(a)(2) of title 5, United States Code.

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Subchapter J—Estates, Trusts, Beneficiaries, and Decedents

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PART II—INCOME IN RESPECT OF DECEDENTS

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SEC. 692. INCOME TAXES OF MEMBERS OF ARMED FORCES ON DEATH.

(a) GENERAL RULE.— * * *

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(c) FOREIGN HOSTILE ACTIONS.—

(1) GENERAL RULE.—In the case of any individual who dies on or after November 1, 1979, while in active service as an employee, if such death occurred as a result of wounds, injury, disease, or partial or total physical or mental disablement incurred during a hostile action against the United States—

(A) any tax imposed by this subtitle shall not apply with respect to the taxable year in which falls the date of such individual's death, or with respect to any prior taxable year ending on or after the first day such individual was in a missing status within the meaning of section 112(e); and

(B) any tax under this subtitle which is upaid at the date of such individual's death (including interest, additions to the tax, and additional amounts) shall not be assessed, and if assessed the assessment shall be abated, and if collected shall be credited or refunded as an overpayment.

For purposes of this paragraph, the date of death shall be treated as being not earlier than the date on which a determination of such individual's death is made under section 5565 of title 5 of the United States Code. This paragraph shall not apply for any taxable year beginning more than 2 years after the date of termination of the hostile action as determined for purposes of section 112(e).

(2) DEFINITIONS.—For purposes of paragraph (1), the term "active service" has the meaning given to such term by section 5561 of title 5 of the United States Code, the term "employee" means an individual (other than a member of the Armed Forces of the United States) who is a Government employee within the meaning of section 5569(a)(2) of title 5 of the United States Code, and the term "hostile action against the United States" has the meaning given to such term by section 112(e)(2)(A).

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Subtitle F—Procedure and Administration

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CHAPTER 61—INFORMATION AND RETURNS

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Subchapter A—Returns and Records

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PART II—TAX RETURNS OR STATEMENTS

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Subpart B—Income Tax Returns

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SEC. 6013. JOINT RETURNS OF INCOME TAX BY HUSBAND AND WIFE.

(a) JOINT RETURNS.—* * *

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(f) JOINT RETURN WHERE INDIVIDUAL IS IN MISSING STATUS.—For purposes of this section and subtitle A—

(1) ELECTION BY SPOUSE.—If—

(A) an individual is in a missing status (within the meaning of paragraph (3)) as a result of service in a combat zone (as determined for purposes of section 112) *or as the result of a hostile action against the United States (as determined for purposes of section 112(e)*, and

(B) the spouse of such individual is otherwise entitled to file a joint return for any taxable year which begins on or before the day which is 2 years after the date designated under section 112 as the date of termination of combatant activities in such zone, *or which begins on or before the day which is 2 years after the date as determined for purposes of section 112(e) as the date of termination of the missing status of such individual*,

then such spouse may elect under subsection (a) to file a joint return for such taxable year. With respect to service in the combat zone designated for purposes of the Vietnam conflict, no such election may be made for any taxable year beginning after January 2, 1978.

(2) EFFECT OF ELECTION.—If the spouse of an individual described in paragraph (1)(A) elects to file a joint return under subsection (a) for a taxable year, then until such election is revoked—

(A) such election shall be valid even if such individual died before the beginning of such year, and

(B) except for purposes of section 692 (relating to income taxes of members of the Armed Forces on death), the income tax liability of such individual, his spouse, and his estate shall be determined as if he were alive throughout the taxable year.

(3) MISSING STATUS.—For purposes of this subsection—

(A) UNIFORMED SERVICES.—A member of a uniformed service (within the meaning of section 101(3) of title 37 of the United States Code) is in a missing status for any period for which he is entitled to pay and allowances under section 552 of such title 37.

(B) CIVILIAN EMPLOYEES.—An employee (within the meaning of section 5561(2) of title 5 of the United States Code) is in a missing status for any period for which he is entitled to pay and allowances under section 5562 of such title 5.

(C) CITIZENS AND RESIDENT ALIENS.—A citizen or resident alien of the United States (other than an individual referred to in subparagraph (A) or (B)) is in a missing status for any period during which such individual satisfies the requirement of subparagraph (A), (B), (C), (D), or (E) of paragraph (5) of section 5561 of title 5 of the United States Code as determined by the Secretary of State.

(4) MAKING OF ELECTION; REVOCATION.—An election described in this subsection with respect to any taxable year may be made by

filing a joint return in accordance with subsection (a) and under such regulations as may be prescribed by the Secretary. Such an election may be revoked by either spouse on or before the due date (including extensions) for such taxable year, and, in the case of an executor or administrator, may be revoked by disaffirming as provided in the last sentence of subsection (a) (3).

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CHAPTER 77—MISCELLANEOUS PROVISIONS

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SEC. 7508. TIME FOR PERFORMING CERTAIN ACTS POSTPONED BY REASON OF SERVICE IN COMBAT ZONE.

[(a) TIME TO BE DISREGARDED.—In the case of an individual serving in the Armed Forces of the United States, or serving in support of such Armed Forces, in an area designated by the President of the United States by Executive order as a "combat zone" for purposes of section 112, at any time during the period designated by the President by Executive order as the period of combatant activities in such zone for purposes of such section, or hospitalized outside the United States as a result of injury received while serving in such an area during such time, the period of service in such area, plus the period of continuous hospitalization outside the United States attributable to such injury, and the next 180 days thereafter, shall be disregarded in determining, under the internal revenue laws, in respect of any tax liability (including any interest, penalty, additional amount, or addition to the tax) of such individual—

[(1) Whether any of the following acts was performed within the time prescribed therefor:

[(A) Filing any return of income, estate, or gift tax (except income tax withheld at source and income tax imposed by subtitle C or any law superseded thereby);

[(B) Payment of any income, estate, or gift tax (except income tax withheld at source and income tax imposed by subtitle C or any law superseded thereby) or any installment thereof or of any other liability to the United States in respect thereof;

[(C) Filing a petition with the Tax Court for redetermination of a deficiency, or for review of a decision rendered by the Tax Court;

[(D) Allowance of a credit or refund of any tax;

[(E) Filing a claim for credit or refund of any tax;

[(F) Bringing suit upon any such claim for credit or refund;

[(G) Assessment of any tax;

[(H) Giving or making any notice or demand for the payment of any tax, or with respect to any liability to the United States in respect of any tax;

[(I) Collection, by the Secretary, by levy or otherwise, of the amount of any liability in respect of any tax;

[(J) Bringing suit by the United States, or any officer on its behalf, in respect of any liability in respect of any tax; and

[(K) Any other act required or permitted under the internal revenue laws specified in regulations prescribed under this section by the Secretary;

[(2) The amount of any credit or refund (including interest).]

(a) TIME TO BE DISREGARDED.—In the case of—

(1) an individual serving in the Armed Forces of the United States, or serving in support of such Armed Forces, in an area designated by the President of the United States by Executive order as a 'combat zone' for purposes of section 112, at any time during the period designated by the President by Executive order as the period of combatant activities in such zone for purposes of such section, or hospitalized outside the United States as a result of injury received while serving in such an area during such time, the period of service in such area, plus the period of continuous hospitalization outside the United States attributable to such injury; or

(2) a citizen or resident alien of the United States who is in a missing status within the meaning of section 112(e) or hospitalized outside the United States as the result of wounds, injury, disease, or partial or total physical or mental disablement incurred during a hostile action against the United States within the meaning of section 112(e), the period of such missing status plus the period of continuous hospitalization outside the United States attributable to such wounds, injury, disease, or disablement; and

(3) more than 2 years after the date as determined for purposes of section 112(e) as the date of termination of the missing status of the individual.

the next 180 days thereafter shall be disregarded in determining, under the internal revenue laws, in respect of any tax liability (including any interest, penalty, additional amount, or addition to the tax) of such individual—

(A) Whether any of the following acts was performed within the time prescribed therefor:

(i) Filing any return of income, estate, or gift tax (except income tax withheld at source and income tax imposed by subtitle C or any law superseded thereby);

(ii) Payment of any income, estate, or gift tax (except income tax withheld at source and income tax imposed by subtitle C or any law superseded thereby) or any installment thereof or of any other liability to the United States in respect thereof;

(iii) Filing a petition with the Tax Court for redetermination of a deficiency, or for review of a decision rendered by the Tax Court;

(iv) Allowance of a credit or refund of any tax;

(v) Filing a claim for credit or refund of any tax;

(vi) Bringing suit upon any such claim for credit or refund;

(vii) Assessment of any tax;

(viii) Giving or making any notice or demand for the payment of any tax, or with respect to any liability to the United States in respect of any tax;

(ix) Collection, by the Secretary, by levy or otherwise, of the amount of any liability in respect of any tax;

(x) Bringing suit by the United States, or any officer on its behalf, in respect of any liability in respect of any tax; and

(xi) Any other act required or permitted under the internal revenue laws specified in regulations prescribed under this section by the Secretary;

(B) The amount of any credit or refund (including interest). In the case of a citizen or resident alien of the United States who is not a Government employee within the meaning of section 5569(a)(2) of title 5 of the United States Code, such individual is in a missing status for purposes of this subsection for any period during which such individual satisfies the requirement of subparagraph (A), (B), (C), (D), or (E) of paragraph (5) of section 5561 of title 5 of the United States Code as determined by the Secretary of State.

(b) APPLICATION TO SPOUSE.—The provisions of this section shall apply to the spouse of any individual entitled to the benefits of subsection (a). The preceding sentence shall not cause this section to apply to any spouse for any taxable year beginning—

(1) after January 2, 1978, in the case of service in the combat zone designated for purposes of the Vietnam conflict, [or]

(2) more than 2 years after the date designated under section 112 as the date of termination of combatant activities in that zone,

in the case of any combat zone other than that referred to in paragraph (1)[.], *or*

(c) MISSING STATUS.—The period of service in the area referred to in subsection (a)(*1*) shall include the period during which an individual entitled to benefits under subsection (a)(*1*) is in a missing status, within the meaning of section 6013(f)(3).

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